

February 8, 1979

Memo to File:

RE: 5-M Corporation
Silver Reef Mine
ACT/053/002

Mr. Jerry Glazier, Mr. Ted Sorenson, and Mr. Walt Plumb met with Denise Dragoo and Ron Daniels this date relative to the surety arrangements for this mine.

Mr. Glazier proposed \$250.00 per acre for reclamation of the 75 acres of leach pad and open cut area which would be the area affected by mining here. This is low compared to the Division estimate of \$1,125.00 per acre.

After some discussion of the bases for different cost estimates, it was decided that 5-M Corporation would pursue a bond for the total area at the \$1,125.00 per acre figure. This would amount to \$84,375.00 at today's prices. Inflation would be added to this. Lacking success in this endeavor, 5-M Corporation will appear before the Board at the February Meeting with an alternative surety proposal.

RONALD W. DANIELS 
COORDINATOR OF MINED LAND DEVELOPMENT

RWD/te